



# Tax Season Survival Guide

Tax season is almost upon us again, bringing the usual chaos in its wake. For some reason, even though it happens every year, it's never any less stressful.

Accounting professionals particularly need to be careful of burnout, which has many negative consequences on mental health, the ability to focus and concentrate on detail-oriented tasks, and energy levels.

The best way to manage your stress levels and survive tax season unscathed is to be proactive. Putting measures in place to combat stress before tax season arrives offers many benefits.

# How Early Preventative Measures Will Benefit You

These are just a few powerful reasons to inspire tax experts – who are part of a profession usually known for being reactive, rather than proactive – to start getting ready early.



01

**You'll be able to focus better and ensure clients' returns are accurate each time.**

Making mistakes means more work for you and, if you don't catch them, you will likely harm your relationship with that client.



02

**You'll have the energy to handle a long period of intense work.**

Tax season is a marathon, not a sprint. If you tire yourself out quickly, it'll be hard to catch up again, and you don't need the extra strain.



03

**You'll be less likely to get sick or need to take time off.**

Stress causes a significant number of mental and physical health issues, like insomnia, depression, and anxiety. Prolonged stress even impairs your ability to concentrate, leaving you vulnerable to injuring yourself just because you were unable to pay attention.



04

**You'll enjoy your work more.**

Accountants who burn out during tax season – and there are many – experience greater job dissatisfaction. This doesn't have to happen. It's possible to streamline your workflow and add value to your clients while also maintaining a healthy work-life balance.

# How to Prepare Yourself & Your Practice for Tax Season

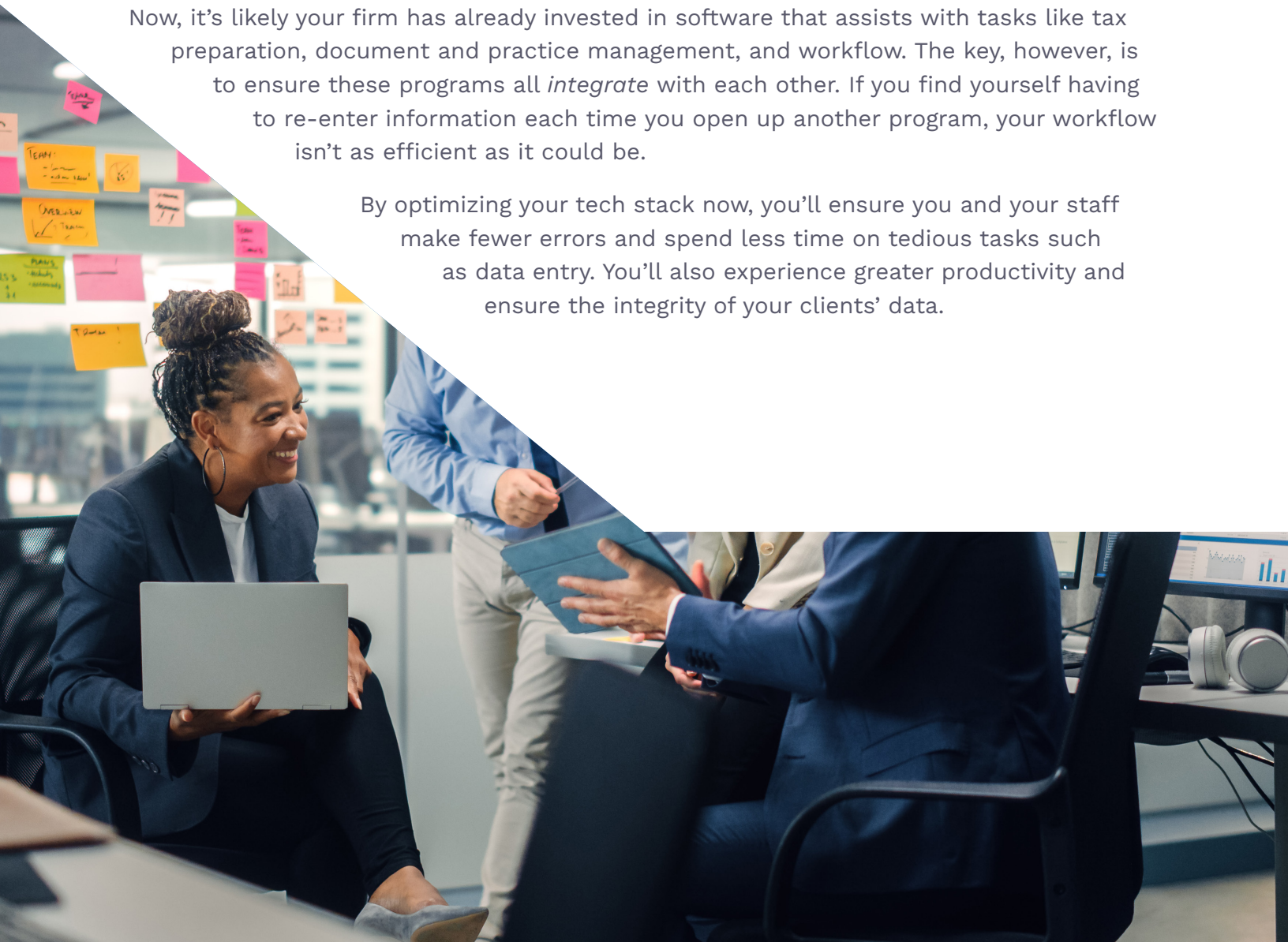
Now that you know the benefits, you might be wondering exactly how to be proactive. Fortunately, the steps are not only straightforward, but they are also necessary for a smooth workflow year-round, not just for four months out of the year.

## Optimize Your Tech Stack for Tax Season

A smooth, efficient tax season workflow starts with [ensuring your tech stack is optimized](#). But what exactly does that mean? Well, in order to adapt to the changing needs of clients in the “new normal,” it’s important to utilize software programs that easily integrate with one another and efficiently process data in a way that’s easy for you to analyze and simple for you, your clients, and your team members to use.

Now, it’s likely your firm has already invested in software that assists with tasks like tax preparation, document and practice management, and workflow. The key, however, is to ensure these programs all *integrate* with each other. If you find yourself having to re-enter information each time you open up another program, your workflow isn’t as efficient as it could be.

By optimizing your tech stack now, you’ll ensure you and your staff make fewer errors and spend less time on tedious tasks such as data entry. You’ll also experience greater productivity and ensure the integrity of your clients’ data.



While there's no one-size-fits-all approach to creating a high-performing, fully integrated tech stack, there's one area experts like Randy Johnston of K2 Enterprises [encourage accounting professionals to focus](#) on when they're looking at their tech stack: document storage and management.

This is a component accountants and tax prep professionals often forget about. In fact, according to Johnston, it's not unusual for practices to still be using a program they purchased in the 1990s. Back then, there was a good excuse: Johnston uses the word “clunky” to describe the options available 20 years ago.

As a result, many firms are still struggling with trying to gather the necessary tax documents, track them, and deliver great results. But now, the choices are much more streamlined, and he and other experts agree that having a smooth workflow and creating a positive experience for clients and team members alike comes down to having [a great document storage and management software program](#).



To quote Johnston, “Document management, when done properly, has workflow management embedded and is key to profitability.”

## 4 Key Considerations Around Workflows and Client Experience

Having an efficient workflow and offering a positive, high-quality client experience are crucial parts of increasing your firm's productivity and profitability. But how do you achieve these goals? Thought leader and *Accounting Today* Top 100 Most Influential alum Randy Johnston says it comes down to what might be a surprising answer: You need to have a better document storage solution in place. Watch the webinar to hear why and to learn proven strategies to increase your success.

[WATCH THE WEBINAR](#)



## Key Qualities of a Good Document Storage Solution

So, what exactly should you be looking for as you search through the options? The following are absolutely indispensable, according to pros like Johnston and Dawn Brolin of Powerful Accounting:

- 1 Integration:** Purchasing a program but having to enter and re-enter data each time you switch between software programs is inefficient. Talk to the vendor before you buy and ask them [whether their product will seamlessly integrate](#) with the tax prep, accounting, and administrative programs you use each busy season. The best programs will align well with popular, frequently used options like Intuit QuickBooks, Lacerte, Karbon, and others.
- 2 Security:** Security is absolutely critical for two major reasons. First, it mitigates the risk you face if your clients' data is stolen or compromised. Second, it's something clients really care about, and [ensuring you're using the most secure program possible](#) will demonstrate that you are in tune with what your clients want and will help them trust you. Look for features like MFA (multi-factor authentication) and encryption capabilities that protect data both when it's in transit and when it's being stored somewhere. To learn about the specific security features and make sure the product meets requirements, accounting gurus recommend talking to the vendor and asking to see their SOC reports.
- 3 Automated & Multi-Purpose:** Your goal should always be to do more with less. You don't want to have to buy a lot of different tools to take care of each little task. So, look for a document management system that combines crucial things like a single portal for clients to communicate with you and submit their documents with a strong e-signature feature. Johnston particularly emphasizes the latter: During the pandemic, being able to sign documents online securely became hugely important to clients, and the trend hasn't reversed. Automation is key: The current products available can do many tasks for you, making things easier for you and your clients and, in turn, ensuring you work with them effectively and avoid busy season headaches.

Remember: As you're combing through the choices, think like your clients who own small businesses do. They select software based on their goals. So, what are yours? Although they may vary somewhat from person to person, most professionals' list of objectives to achieve during tax season looks something like this:

- Avoiding wasting time
- Reducing stress
- Keeping hours reasonable rather than working 70- to 100-hour weeks and burning out
- Putting time and energy into doing work that's more profitable and engaging
- Keeping clients and team members happy during a time of year when tensions are high and morale is low
- Better communication with clients
- More control over each step of the tax preparation process, especially in terms of sending documents back and forth

**By selecting a great document management system and using it to optimize your tech stack, you'll ensure you reach these objectives.**

## Increasing tax return volume by 10% was simple with the right tech.

Commonwealth Business Services, a full service tax, accounting, and business consulting firm in Virginia, has 14 staff that serve more than 600 tax clients. The firm was using a document management system that required them to manually upload documents. It was inefficient, John Coleman, CPA and the firm's owner, realized.

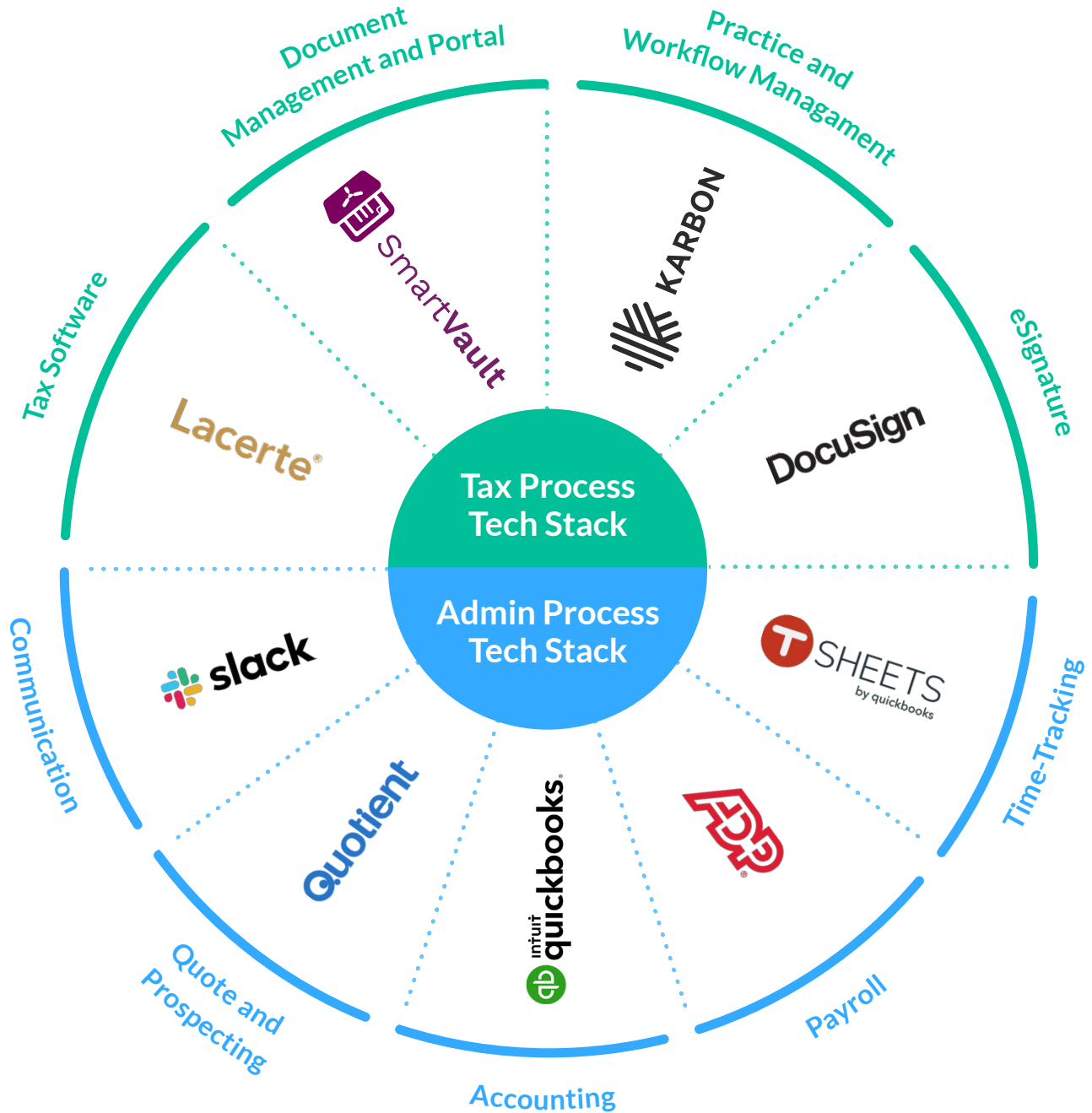
The firm saw significant growth since implementing SmartVault, an integrated document management system and client portal solution. They went from preparing about 400 tax returns in 2019 to over 670 in 2022—more than they have ever done.

**“[SmartVault] has allowed us to keep adding tax clients without having negative impacts on our ability to serve them efficiently,”** John Coleman, CPA, Owner, said.

[READ THE FULL STORY](#)

## What Does an Example of a Great Tech Stack Look Like?

So, what does an expert's optimized tech stack look like? Dawn Brolin suggests following this template for a "best of breed" tech stack:







# Work With Clients Effectively

The “new normal” caused significant changes for the accounting profession as well, and things still haven’t quite settled down or returned to what everyone was used to (and nor are they likely to). In light of this, it’s crucial to be flexible. This is one aspect of effective client relationships that might not immediately come to mind, but here’s why it’s important for accounting professionals to be adaptable.

In past years, you might’ve gotten a few people here and there who freelanced or held part-time, temporary jobs and needed different tax prep skills. Now, you should expect a significant portion of your clients will have at least one side gig in addition to their traditional job or make all of their income through the gig economy. In 2020, forced to find new ways to make money after losing their jobs, people started picking up gig jobs. And the numbers aren’t expected to go down anytime soon: some experts think gig workers will make up 50% of the workforce as soon as next year.

| In short: your clientele is more diverse, and approaches that worked in past tax seasons may not cut it this time.

Accountants who understand the needs of their changing clientele, the specific and nuanced tax rules that apply to them, and exactly what to collect to file their returns correctly are most successful. Here’s how you can become one of them.

## 1. Make Sure You Have an In-Depth Understanding of IRS Requirements

The IRS recently changed its policies when it comes to gig workers. For a while, people could be paid via Zelle or Venmo for their work and not report it as income. The IRS caught on quickly, so make sure you're fully aware of the laws and any changes and communicate these with your clients. Sending them a checklist often helps, as does encouraging them to come to you with questions sooner rather than later. Emphasize that you're here to help and want to ensure they won't get audited and wind up having to pay penalties.

Here's another great reason to become an expert in preparing taxes for the self-employed: if you've gone to an accounting conference in the last few years, you've heard about the importance of developing a niche. It sets you apart from the competition, positions you as an expert, and helps you gain more clients.

Here's a little secret: You don't have to go and start all over again to do this! You can build on what you already do and gain expertise in things you'll be working on anyway. Better still, you'll appeal to a very wide range of clients. Everybody files taxes, and, as noted above, there are millions of gig workers now.

## Preparing for a New Type of Tax Season

You're likely aware gig workers are subject to different tax rules and need to file different paperwork than those who have regular full-time positions. It's unlikely, however, that you've weathered a tax season with so many clients who freelance in some capacity. Here are some ways to prepare for working with self-employed clients now:

- 1 Make a list. Send your client roster an email requesting they respond if they do any freelance/contract work or make money by selling goods.
- 2 Make sure they're informed and prepared. Make sure everyone on your self-employed client list gets an email explaining what constitutes gig work, as well as the forms and important dates they need to know.
- 3 Identify potential problems and schedule meetings. Set up calls or in-person meetings with clients who realize they haven't been paying taxes or are confused about their status. Try to solve issues as best as possible prior to the start of tax season.

Communicating with your clients early is key, as is honing your expertise in IRS regulations. Read our article to learn more.

[READ THE ARTICLE](#)

## 2. Have Clients Submit Documents Online

Make clients' lives easier by switching the old "send me your paperwork" method to a simple online portal. Many include organizers that will help them prepare and feel confident nothing is missing, and [sending papers electronically is far more efficient.](#)

Many accountants hesitate to take this step for two reasons: First, clients are concerned about security and may be resistant to submitting their private information that way. Second, no tax professional wants to spend extra time explaining how to use the program to each client, and they're worried that's what'll end up happening. Fortunately, these are problems that can be solved.

Ease concerns about data security by providing clients with resources that show the likelihood of a [data breach with one of these programs is small.](#) As to the second issue, the answer lies in video. Make a demo video and put it on your website! Walk everyone through how to use the software step by step, and, if you like, include some extra written resources. With this method, you won't have to demo the product over and over.

## 3. Set Aside "Office Hours"

Get out your planner or calendar and block off a specific time for meetings and one for phone calls and emails. Inform clients that your availability is changing to prioritize getting their tax returns done. Setting these boundaries will save you from stress and from having to work extra long hours because your workflow was continuously interrupted. If you're worried clients will be angry, gently remind them that this is actually for their benefit – the sooner they get their tax return sent in, the faster they'll get a refund. Mostly, though, taking this approach will give clients boundaries they can respond to. They know the regular times you offer meetings and will make sure they're free if they need to set one up, and they can rest assured that you will respond to them during your set hours for responding to emails and making calls rather than worrying you're ignoring them.

By taking these steps, you'll ensure not only a smooth workflow during the busy season, but you'll also add value to your clients and put yourself in a position to turn many of them into repeat customers.

# Practice Self Care

Self-care is crucial during tax season, and you'll benefit from setting aside some time for it. And actually, the best practices are pretty simple. Here are some things to try:



## 01

### **Get up and walk around for 20-30 minutes a day.**

You can do this at your convenience. Exercise releases endorphins and will boost your energy and mood.



## 02

### **Drink lots of water, not just coffee.**

Also, try to eat a balanced diet. When we're stressed or super busy, we all tend to go for junk food. Resist the urge: a healthy diet will improve your energy and focus.



## 03

### **Establish a support system.**

Having people you can reach out to and get emotional support from is a crucial component of coping with stress. If you're feeling overwhelmed, don't isolate yourself: stay connected.

# Final Takeaways

The major key to surviving tax season? Being proactive. By finding the right document storage and management solution, putting measures in place to work effectively with your clients, and learning coping mechanisms for highly stressful times, you'll ensure you, your clients, and your team members work well together during tax season, increase employee and client retention, streamline your workflow, and increase your profitability. Remember: Your clients are counting on you, and the more you demonstrate your value, the more your firm will thrive. Good luck, and stay calm!



**Discover the easiest and most secure way to optimize how you, your staff, and your clients gather, store, share, and eSign documents in the cloud.**

Built with bank-level security, SmartVault is an integrated document management and client portal solution designed to help professional service businesses reduce costs, raise productivity and employee happiness, stay in compliance, and deliver higher levels of service. Join the over 2 million people who use SmartVault to work better together online.

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**“We run so much more efficiently now [with SmartVault]. I would estimate a 30% increase in time savings. This is huge, because saving time translates into saving money.”**

**Robert Laundry, CPA and owner of Robert H Laundry CPA**

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